

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
	)	
<b>W.R. GRACE &amp; CO., et al.,<sup>1</sup></b>	)	Case No. 01-1139 (JKF)
	)	Jointly Administered
	)	
	)	<b>Objection Date: December 13, 2006 at 4:00 p.m.</b>
Debtors.	)	<b>Hearing Date: Scheduled if Necessary (Negative</b>
	)	<b>Notice)</b>
	)	

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**FIFTY-FIRST MONTHLY APPLICATION OF BMC GROUP  
(f/k/a BANKRUPTCY MANAGEMENT CORPORATION) FOR COMPENSATION  
FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES AS  
CLAIMS RECONCILIATION AND SOLICITATION CONSULTANT TO THE  
DEBTORS FOR THE PERIOD FROM JUNE 1, 2006 THROUGH JUNE 30, 2006**

<b>Name of Applicant:</b>	BMC Group (f/k/a Bankruptcy Management Corporation) ("BMC")
<b>Authorized to Provide Professional Services to:</b>	The above-captioned debtors and debtors in possession
<b>Date of Retention:</b>	Retention Order entered May 8, 2002; effective as of April 4, 2002
<b>Period for which Compensation and Reimbursement is Sought:</b>	June 1 through June 30, 2006
<b>Amount of Compensation Sought as Actual, Reasonable and Necessary:</b>	\$ 42,762.00
<b>Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:</b>	\$ 5,634.14

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<sup>1</sup> The Debtors consist of the following 62 entities: W.R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W.R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food =N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W.R. Grace Capital Corporation, W.R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

This is a: ☒ Monthly Application ☐ Quarterly Application ☐ Final Application

The total time expended for preparation of this fee application is approximately 30.0 hours and the corresponding compensation requested is approximately \$7,500.00.<sup>2</sup>

This is the Fifty-First Application filed by BMC.

### PRIOR APPLICATIONS

Date Filed	App No.	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
3/4/2003	N/A	4/4/2002-4/30/2002	\$18,913.50	\$1,420.00	\$15,130.80	\$1,420.00
3/4/2003	N/A	5/1/2002-5/31/2002	\$46,559.00	\$2,781.83	\$37,247.20	\$2,781.83
3/4/2003	N/A	6/1/2002-6/30/2002	\$42,162.00	\$3,538.24	\$33,729.60	\$3,538.24
3/4/2003	N/A	5th Quarterly 2002	\$107,634.50	\$7,740.07	\$86,107.60	\$7,740.07
3/4/2003	N/A	7/1/2002-7/31/2002	\$48,181.75	\$10,701.48	\$38,545.40	\$10,701.48
3/4/2003	N/A	8/1/2002-8/31/2002	\$48,729.50	\$1,891.32	\$38,983.60	\$1,891.32
3/4/2003	N/A	9/1/2002-9/30/2002	\$55,850.00	\$2,743.43	\$44,680.00	\$2,743.43
3/4/2003	N/A	6th Quarterly 2002	\$152,761.25	\$15,336.23	\$122,209.00	\$15,336.23
3/4/2003	N/A	10/1/2002-10/31/2002	\$95,621.50	\$3,384.85	\$76,497.20	\$3,384.85
3/4/2003	N/A	11/1/2002-11/30/2002	\$49,215.25	\$2,658.68	\$39,372.20	\$2,658.68
3/4/2003	N/A	12/1/2002-12/31/2002	\$46,683.00	\$850.00	\$37,346.40	\$850.00
3/4/2003	N/A	7th Quarterly 2002	\$191,519.75	\$6,893.53	\$153,215.80	\$6,893.53
5/15/2003	10	1/1/2003-1/31/2003	\$74,318.00	\$1,229.90	\$59,454.40	\$1,229.90
5/15/2003	11	2/1/2003-2/28/2003	\$82,610.00	\$4,837.69	\$66,088.00	\$4,837.69
5/15/2003	12	3/1/2003-3/31/2003	\$72,572.25	\$3,860.72	\$58,057.80	\$3,860.72
5/15/2003	8 Q	8th Quarterly 2003	\$229,500.25	\$9,928.31	\$183,600.20	\$9,928.31
9/23/2003	13	4/1/2003-4/30/2003	\$117,598.00	\$2,132.50	\$94,078.40	\$2,132.50
9/23/2003	14	5/1/2003-5/31/2003	\$140,988.00	\$4,689.22	\$112,790.40	\$4,689.22
9/23/2003	15	6/1/2003-6/30/2003	\$95,449.00	\$8,234.67	\$76,359.20	\$8,234.67
9/23/2003	9 Q	9th Quarterly 2003	\$354,035.00	\$15,480.10	\$283,228.00	\$15,480.10
2/18/2004	16	7/1/2003-7/31/2003	\$90,293.50	\$9,851.36	\$90,293.50	\$9,851.36
2/18/2004	17	8/1/2003-8/31/2003	\$88,262.50	\$2,515.87	\$88,262.50	\$2,515.87
2/18/2004	18	9/1/2003-9/30/2003	\$82,370.00	\$16,341.34	\$82,370.00	\$16,341.34
2/25/2004	10 Q	10th Quarterly 2003	\$260,926.00	\$28,708.57	\$260,926.00	\$28,708.57
4/13/2004	19	10/1/2003-10/31/2003	\$86,187.00	\$1,861.76	\$86,187.00	\$1,861.76
4/13/2004	20	11/1/2003-11/30/2003	\$69,321.00	\$1,330.52	\$69,321.00	\$1,330.52
4/13/2004	21	12/1/2003-12/31/2003	\$62,679.00	\$2,627.14	\$62,679.00	\$2,627.14
4/13/2004	11 Q	11th Quarterly 2003	\$218,187.00	\$5,819.42	\$218,187.00	\$2,528.88
6/18/2004	22	1/1/2004-1/31/2004	\$84,944.50	\$1,327.94	\$84,944.50	\$1,327.94
6/18/2004	23	2/1/2004-2/29/2004	\$42,147.00	\$1,623.86	\$42,147.00	\$1,623.86
6/18/2004	24	3/1/2004-3/31/2004	\$89,579.50	\$1,403.99	\$89,579.50	\$1,403.99
6/18/2004	12 Q	12th Quarterly 2004	\$216,671.00	\$4,355.79	\$216,671.00	\$4,355.79
11/5/2004	25	4/1/2004-4/30/2004	\$76,264.50	\$2,134.18	\$76,264.50	\$2,134.18
11/5/2004	26	5/1/2004-5/31/2004	\$63,313.50	\$2,330.43	\$63,313.50	\$2,330.43
11/5/2004	27	6/1/2004-6/30/2004	\$58,641.50	\$2,795.01	\$58,641.50	\$2,795.01
11/5/2004	13 Q	13th Quarterly 2004	\$198,219.50	\$7,259.62	\$198,219.50	\$7,259.62

<sup>2</sup> The actual number of hours expended in preparing this fee application and the corresponding compensation requested will be set forth in BMC's subsequent fee applications.

**PRIOR APPLICATIONS - continued**

Date Filed	App No.	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
2/7/2005	28	7/1/2004 – 7/31/2004	\$45,396.00	\$2,558.91	\$45,396.00	\$2,558.91
2/7/2005	29	8/1/2004 – 8/31/2004	\$60,094.50	\$1,375.09	\$60,094.50	\$1,375.09
2/7/2005	30	9/1/2004 – 9/30/2004	\$75,755.50	\$1,251.65	\$75,755.50	\$1,251.65
2/7/2005	14Q	14 <sup>th</sup> Quarterly 2004	\$181,246.00	\$5,185.65	\$181,246.00	\$5,185.65
4/22/2005	31	10/1/2004 – 10/31/2004	\$59,922.00	\$2,144.86	\$59,922.00	\$2,144.86
4/22/2005	32	11/1/2004 – 11/30/2004	\$65,745.50	\$28,337.71	\$65,745.50	\$28,337.71
4/22/2005	33	12/1/2004 – 12/31/2004	\$62,692.00	\$8,918.87	\$62,692.00	\$8,918.87
4/22/2005	15Q	15 <sup>th</sup> Quarterly 2004	\$188,359.50	\$39,401.44	\$188,359.50	\$39,401.44
8/11/2005	34	1/1/2005 – 1/31/2005	\$67,384.00	\$2,530.41	\$67,384.00	\$2,530.41
8/11/2005	35	2/1/2005 – 2/28/2005	\$56,206.00	\$2,869.31	\$56,206.00	\$2,869.31
8/11/2005	36	3/1/2005 – 3/31/2005	\$64,836.00	\$1,666.16	\$64,836.00	\$1,666.16
8/11/2005	16Q	16 <sup>th</sup> Quarterly 2005	\$188,426.00	\$7,065.88	\$188,426.00	\$7,065.88
10/31/2005	37	4/1/2005 – 4/30/2005	\$88,685.50	\$2,391.33	\$88,685.50	\$2,391.33
10/31/2005	38	5/1/2005 – 5/31/2005	\$158,852.00	\$4,552.49	\$158,852.00	\$4,552.49
10/31/2005	39	6/1/2005 – 6/30/2005	\$232,914.00	\$13,912.17	\$232,914.00	\$13,912.17
10/31/2005	17Q	17 <sup>th</sup> Quarterly 2005	\$480,451.50	\$20,855.99	\$480,451.50	\$20,855.99
1/31/2006	40	7/1/2005 – 7/31/2005	\$468,997.75	\$17,359.91	\$468,997.75	\$17,359.91
1/31/2006	41	8/1/2005 – 8/31/2005	\$684,403.00	\$43,446.98	\$684,403.00	\$43,446.98
1/31/2006	42	9/1/2005 – 9/30/2005	\$334,412.00	\$34,731.14	\$334,412.00	\$34,731.14
2/1/2006	18Q	18 <sup>th</sup> Quarterly 2005	\$1,487,812.75	\$95,538.03	\$1,487,812.75	\$95,538.03
4/20/2006	43	10/1/2005 – 10/31/2005	\$126,175.50	\$2,460.85	\$126,175.50	\$2,460.85
4/20/2006	44	11/1/2005 – 11/30/2005	\$136,980.50	\$2,010.10	\$136,980.50	\$2,010.10
4/20/2006	45	12/1/2005 – 12/31/2005	\$54,700.50	\$4,310.19	\$54,700.50	\$4,310.19
4/20/2006	19Q	19 <sup>th</sup> Quarterly 2005	\$301,963.67*	\$8,781.14	\$301,963.67*	\$8,781.14
4/28/2006	46	1/1/2006 – 1/31/2006	\$52,998.50	\$2,322.75	\$52,998.50	\$2,322.75
7/17/2006	47	2/1/2006 – 2/28/2006	\$64,309.50	\$1,438.85	\$64,309.50	\$1,438.85
8/25/2006	48	3/1/2006 – 3/31/2006	\$69,538.75	\$2,732.97	\$69,538.75	\$2,732.97
8/25/2006	20Q	20 <sup>th</sup> Quarterly 2006	\$177,504.41*	\$6,494.57	\$177,504.41*	\$6,494.57
11/21/2006	49	4/1/2006 – 4/30/2006	\$64,523.00	\$1,918.17	Pending	Pending
11/22/2006	50	5/1/2006 – 5/31/2006	\$83,530.00	\$2,413.38	Pending	Pending
11/22/2006	51	6/1/2006 – 6/30/2006	\$42,762.00	\$5,634.14	Pending	Pending

**BIOGRAPHICAL INFORMATION**

Name of Professional Person	Position with Applicant, Number of Years in Position, Prior Relevant Experience, Licenses and Year Obtained, Area of Expertise	Hourly Billing Rate (Including Changes)	Total Hours Billed	Total Compensation
Liliana Anzaldo	Case Support Clerk, 1½ years	\$45.00	5.1	\$229.50
Martha Araki	Senior Bankruptcy Consultant, 6 years; 19 years bankruptcy experience	\$210.00	3.0	\$630.00
Josh Berman	Technology Director, 11 months; 10 years prior experience in data management, process re-engineering, and custom technology build-out	\$200.00	1.3	\$260.00
Susan Burnett	Consultant, 2¾ years; 3 years prior experience as an attorney, 20 years prior accounting and finance experience	\$150.00	7.0	\$1,050.00

\* Reflects BMC's voluntary courtesy discount of 5% from actual fees for the Nineteenth and Twentieth Quarterly Fee Periods.

Name of Professional Person	Position with Applicant, Number of Years in Position, Prior Relevant Experience, Licenses and Year Obtained, Area of Expertise	Hourly Billing Rate (Including Changes)	Total Hours Billed	Total Compensation
Jacqueline Bush	Data Analyst, 4¼ years	\$95.00	1.3	\$123.50
Trina Carter	Case Information Clerk, 3¾ years	\$45.00	1.5	\$67.50
Patrick Cleland	Case Analyst, 2¼ years	\$65.00	0.2	\$13.00
Temeka Curtis	Case Support Clerk, 3 years	\$45.00	0.9	\$58.50
Dustee Decker	Reconciliation Analyst, 3½ years; 15 years prior experience in accounts payable and creditor negotiation	\$75.00	0.1	\$7.50
Corazon Del Pilar	Case Support Clerk, 2½ years	\$45.00	0.2	\$9.00
Mike Grimmatt	Senior Data Consultant, 3½ years; 12 years prior experience bankruptcy and data programming	\$175.00	1.8	\$315.00
Sue Herrschaft	Senior Consultant, 3½ years; former Operations Manager, Audit Division, Arthur Andersen-LA; 10 years prior experience in risk management and quality assurance	\$210.00	158.1	\$33,201.00
Sue Herrschaft	Travel	\$105.00	12.0	\$1,260.00
Blanca Jindrich	Case Administration; 2 months	\$45.00	0.4	\$18.00
Stephenie Kjontvedt	Senior Consultant, 3 years; 15 years experience in bankruptcy consulting	\$140.00	1.0	\$140.00
Yvette Knopp	Case Support Associate, 3 years; 3 years prior bankruptcy case support experience	\$90.00	0.2	\$18.00
Angelic Kruse	Case Administration, 2 months	\$45.00	0.1	\$4.50
Ortavia Lee	Case Support Clerk, 2 months	\$45.00	1.3	\$58.50
Marquis Marshall	Case Support Clerk, 2 years	\$45.00	0.3	\$13.50
James Myers	Case Support Clerk, 4¼ years	\$65.00	1.7	\$110.50
Brenda Reed	Consultant, 3½ years; 12 years prior experience corporate accounting and internal auditing	\$140.00	0.5	\$70.00
Airgelou Romero	Case Analyst, 1¾ years	\$65.00	1.8	\$117.00
Lisa Ruppenner	Case Support Associate, 3½ years	\$95.00	15.4	\$1,463.00
Arrie Sherr	Senior Data Analyst, 8 months; 7 years prior experience as computer programmer, consultant and data manager	\$110.00	13.5	\$1,485.00
Lucina Solis	Case Support Associate, 2¼ years	\$45.00	0.8	\$36.00
Brianna Tate	Case Information Clerk, 2½ years	\$45.00	0.9	\$40.50
Anna Wick	Senior Data Analyst, 3½ years	\$110.00	17.6	\$1,936.00

<b>Grand Total:</b>	<b>Fees: \$42,762.00</b>	<b>Hours: 248.6</b>
<b>Blended Rate:</b>	<b>\$172.01</b>	

#### COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees
Asbestos Claims	15.2	\$3,192.00
Asbestos PI Claims	12.3	\$2,513.00
Case Administration	103.0	\$17,492.50
Data Analysis	36.0	\$4,189.50
Fee Applications – Applicant	4.0	\$840.00
Non – Asbestos Claims	66.1	\$13,275.00
Travel	12.0	\$1,260.00
<b>Total</b>	<b>248.6</b>	<b>\$42,762.00</b>

**EXPENSE SUMMARY**

<b>Expense Category</b>	<b>Service Provider (If Applicable)</b>	<b>Total Expenses</b>
b-Linx	BMC	\$850.00
Document Storage	BMC	\$562.00
Airline	American Airlines	\$366.35
Breakfast	Various	\$76.51
Dinner	Various	\$115.80
Lodging	Hotel Allegro – Chicago	\$1,993.60
Lunch	Various	\$79.99
Pacer	US Courts	\$63.28
Phone/ISP	Various	\$3.63
Postage/Shipping	Various	\$414.86
Taxi	Various	\$45.00
Tips	Various	\$15.00
<b>Total</b>		<b>\$4,568.02</b>

**PRODUCTION EXPENSE SUMMARY**

<b>Date of Mailing</b>	<b>Service Provider (If Applicable)</b>	<b>Total Expenses</b>
June 20, 2006	BMC (1 mailing)	\$26.76
June 26, 2006	BMC (1 mailing)	\$1,021.36
<b>Total</b>		<b>\$1,048.12</b>

**WHEREFORE**, BMC respectfully requests:

(a) that an allowance be made to it in the aggregate of \$39,843.74, which is comprised of:

- (i) 80% of the fees rendered by BMC to the Debtors for reasonable and necessary professional services during the Fifty-First Fee Period (80% of \$42,762.00 = \$34,209.60); and
- (ii) 100% of the actual and necessary costs and expenses incurred by BMC during the Fifty-First Fee Period (\$5,634.14);

(b) that both the fees and expenses are payable as an administrative expense of the Debtors' estates; and

(c) for such other and further relief as the Court deems just and proper.

Dated: November 17, 2006

BMC GROUP (f/k/a BANKRUPTCY  
MANAGEMENT CORPORATION)

By: 

SUE HERRSCHAFT  
720 Third Avenue, 23<sup>rd</sup> Floor  
Seattle, Washington 98104  
Telephone: (206) 516-3300  
Telecopier: (206) 516-3304

Claims Reconciliation and Solicitation  
Consultant to the Debtors and  
Debtors in Possession

## VERIFICATION

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES

SS.

**SUE HERRSCHAFT**, after being duly sworn, deposes and says:

1. I am employed by BMC Group (f/k/a Bankruptcy Management Corporation) (“BMC”), Applicant, the Claims Reconciliation and Solicitation Consultant to the debtors and debtors in possession herein (the “Debtors”). I am a Senior Consultant with BMC and I am responsible for overseeing the day-to-day services provided by BMC to the Debtors as BMC’s Project Manager for this engagement. Except as otherwise noted, I have personal knowledge of the matters set forth herein.

2. I have personally reviewed the consulting services rendered by BMC as Claims Reconciliation and Solicitation Consultant to the Debtors and am thoroughly familiar with the other work performed on behalf of the Debtors by other consultants and employees of BMC.

3. I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief. Annexed hereto are the following Exhibits: **Exhibit 1** – Monthly Fee Invoice comprised of a detail of time expended and Professional Activity Summary; and **Exhibit 2** – Monthly Expense Invoice comprised of an Expense Invoice and Detail. Moreover, I have reviewed the Local Bankruptcy Rules for the District of Delaware and the ‘Amended Administrative Order Under 11 U.S.C. §§105(a) and 331 Establishing Revised Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members,’ signed April 17, 2002, and submit that the Application herein substantially complies with such Rules and Order.

Sue Herrschaft

SWORN AND SUBSCRIBED to before me  
this 17th day of November, 2006

Notary Public

My Commission Expires:

